

Message Text

LIMITED OFFICIAL USE

PAGE 01 MANILA 02359 190531Z

12

ACTION EA-09

INFO OCT-01 NEA-10 ISO-00 CIAE-00 DODE-00 PM-04 H-02

INR-07 L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15

USIA-06 AID-05 OMB-01 /072 W
----- 015851

R 180827Z FEB 76 ZDK
FM AMEMBASSY MANILA
TO SECSTATE WASHDC 2218
AMEMBASSY TOKYO
INFO AMEMBASSY BANGKOK
AMEMBASSY JAKARTA
AMEMBASSY KUALA LUMPUR
AMEMBASSY NEW DELHI
AMEMBASSY ISLAMABAD
AMEMBASSY SINGAPORE
AMEMBASSY CANBERRA
AMEMBASSY WELLINGTON

LIMITED OFFICIAL USE MANILA 2359

E.O. 11652: N/A

TAGS: EFIN, EAID, JA, RP

SUBJECT: JAPANESE FINANCIAL MISSION TO PHILIPPINES

REF: TOKYO 891

SUMMARY: JAPANESE FINANCIAL MISSION VISITED MANILA FROM
FEBRUARY 8 TO 10, HOLDING ROUND OF GROUP MEETINGS WITH
VARIOUS GOP INANCE AND INVESTMENT-RELATED AGENCIES. OB-
JECTIVE WAS QUITE GENERAL ONE OF ASSESSMENT, AND MISSION
APPARENTLY MADE LITTLE IMPRESSION ON GOP OFFICIALS.
DEPUTY LEADER OF MISSION TOLD US HE FOUND PHILIPPINES CLIMATE
ATTRACTIVE IN SEA CONTEXT, CITING RECEPTIVITY TO FOREIGN
INVESEMENT AND RELATIVE POLITICAL STABILITY. MISSION
PROBABLY HAD LITTLE IMPACT LOCALLY, BUT MAY INFLUENCE
ATTITUDES IN TOKYO. END SUMMARY.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 MANILA 02359 190531Z

1. JAPANESE FINANCIAL MISSION VISITED MANILA FROM FEBRUARY 8 TO 10, AFTER STOPS IN KUALA LUMPUR, BANGKOK, AND JAKARTA. THE 23-MEMBER GROUP SPLIT AFTER MANILA, HALF TO AUSTRALIA AND NEW ZEALAND, AND HALF TO INDIA, PAKISTAN, AND BANGLADESH. THE ENTIRE GROUP REASSEMBLES IN SINGAPORE BEFORE RETURNING TO JAPAN.

2. DURING MANILA STAY, MISSION CONCENTRATED ON GROUP MEETINGS WITH GOVERNMENT AGENCIES. THESE MEETINGS WERE CHAIRED BY TOP OFFICIALS IN DEPARTMENTS OF FINANCE AND INDUSTRIES, CENTRAL BANK, DEVELOPMENT BANK OF THE PHILIPPINES, AND BOARD OF INVESTMENTS.

3. MANILA PRESS COVERAGE HAS EMPHASIZED THREE AREAS OF MISSION INTEREST DURING THE VISIT: (1) COMMODITY PROBLEMS AND THEIR IMPACT ON TRADE AND ECONOMIC RELATIONS; (2) POSSIBILITIES AND MEANS OF FUND PROCUREMENT BETWEEN JAPAN AND THE COUNTRIES OF ASIA AND OCEANIA, INCLUDING PROBLEMS INVOLVED IN JOINT VENTURES AND LOCAL SUBSIDIARIES; AND (3) TRADE FINANCING BETWEEN JAPAN AND THE COUNTRIES TO BE VISITED BY THE MISSION. AIRPORT ARRIVAL STATEMENT INCLUDED FOLLOWING: "IT IS JAPAN'S BELIEF THAT AS A MEMBER OF THE ASIAN FAMILY, IT MUST FULLY RECOGNIZE THE CHANGES BEING UNDERGONE BY ASIA, PARTICULARLY THE CLIMATE SURROUNDING THESE COUNTRIES AFTER THE VIETNAM WAR, AS WELL AS CHANGES BROUGHT ABOUT BY NEGATIVE GROWTH RATES IN THE WORLD ECONOMY, SHRINKING VOLUMES IN WORLD TRADE, AND ECONOMIC RECESSION."

4. PARTICIPANTS OF MEETINGS WITH WHOM EMBASSY HAS BEEN IN CONTACT, ON BOTH GOJ AND GOP SIDES, CHARACTERIZED PURPOSE AS VERY GENERAL ONE OF "ASSESSMENT". ONE GOP CENTRAL BANK OFFICIAL OBSERVED THAT THIS TIGHTLY-SCHEDULED GROUP BLITZ IS "THE SORT OF THING THAT THE JAPANESE DO VERY WELL", BUT STATED THAT NO MORE THAN A GENERAL EXCHANGE OF VIEWS TOOK PLACE. LOCAL JAPANESE OFFICIALS TENDED TOWARD CYNICISM IN DISCUSSING MISSION. JAPANESE EXIMBANK REPS THOUGHT THAT NOTHING IMPORTANT CAME OUT OF VISIT, AND IMPLIED THAT MAIN PURPOSE WAS JUNKETING. JAPANESE COMMERCIAL ATTACHE NOTED WRYLY THAT THESE WERE LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 MANILA 02359 190531Z

LATEST IN LONG LINE OF OFFICIAL VISITORS, A LINE WHICH HAS LENGTHENED NOTICEABLY NOW THAT TAIPEI IS OUT OF BOUNDS.

5. ONE RATHER EMBARRASSING NOTE DURING VISIT WAS SURFACING OF MISSION LEADER TAROICHI YOSHIDA'S NAME AS A POSSIBLE SUCCESSOR TO SHIROU INOUE AS PRESIDENT OF ADB. LOCAL MITSUI REP. WENT SO FAR AS TO SUGGEST TO EMBASSY OFFICER THAT TRIP WAS ORGANIZED FOR

PURPOSE OF INTRODUCING YOSHIDA TO THE VARIOUS COUNTRIES.

6. WHATEVER THE PERCEPTIONS OF THOSE ON THE RECEIVING END, MISSION MAY RESULT IN SOME USEFUL INFORMATION BEING CARRIED BACK TO TOKYO. DEPUTY LEADER OF THE MISSION, BANK OF JAPAN DEPUTY DIRECTOR FOR INTERNATIONAL AFFAIRS OCHI, TOLD EMBASSY OFFICER THAT SPONSORING ORGANIZATION, INSTITUTE FOR FINANCIAL AFFAIRS, HAS NOT HAD MISSION TO SEA SINCE 1971, AND THAT IT WAS HIGH TIME TO REASSESS CHANGED CONDITIONS. OCHI ACKNOWLEDGED THAT THE ECONOMIC SLOWDOWN IN JAPAN HAS CONSTRAINED EXPANDED TRADE AND INVESTMENT ACTIVITY IN SEA, BUT STATED THAT MISSION HAS TAKEN LINE WITH FILIPINOS THAT JAPANESE RECOVERY IS CONTINGENT ON U.S. RECOVERY. OCHI HOPED THAT BOTH ECONOMIES ARE NOW TURNING UP. WITH RESPECT TO RESULTS OF MISSION SO FAR, OCHI CLAIMED THAT THE CAPACITY TO ABSORB FOREIGN INVESTMENT APPEARS TO BE BETTER HERE THAN IN OTHER SEA COUNTRIES THEY HAD VISITED (INDONESIA, THAILAND, AND MALAYSIA); THE PHILIPPINE ATTITUDE APPEARS TO BE MORE RECEPTIVE, THERE ARE RELATIVELY BETTER PROSPECTS FOR POLITICAL STABILITY, AND ADMINISTRATIVE DETAILS OF DOING BUSINESS ARE COMPARATIVELY LESS TROUBLESOME. AS NOTE OF INTEREST, OCHI, WHO WAS THE HEAD AUSTRALIA/NEW ZEALAND VISITS, WAS EAGER TO HAVE OUR ASSESSMENT OF NEW GOVERNMENT IN AUSTRALIA AND ITS LIKELY EFFECT ON TRADE AND INVESTMENT POLICY.

7. COMMENT. THE MISSION MAY HAVE SOME INFLUENCE ON ATTITUDES IN JAPANESE FINANCIAL CIRCLES TOWARD SOUTHEAST ASIA, BUT IT SEEMS TO HAVE HAD LITTLE IMPACT IN MANILA.

SULLIVAN

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 MANILA 02359 190531Z

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC ASSISTANCE, VISITS, FINANCIAL PROGRAMS
Control Number: n/a
Copy: SINGLE
Draft Date: 18 FEB 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: morefirh
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976MANILA02359
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760062-0104
From: MANILA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760240/aaaabimz.tel
Line Count: 154
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 76 TOKYO 891
Review Action: RELEASED, APPROVED
Review Authority: morefirh
Review Comment: n/a
Review Content Flags:
Review Date: 20 MAY 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <20 MAY 2004 by BoyleJA>; APPROVED <01 JUL 2004 by morefirh>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: JAPANESE FINANCIAL MISSION TO PHILIPPINES
TAGS: EFIN, EAID, JA, RP
To: STATE TOKYO
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006